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Tarrant County Texas

3/10/2011 8:43 AM

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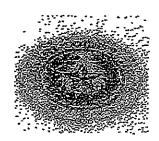
Mary Louise Garcin

Mary Louise Garcia

PGS 3

\$24.00

Submitter: ACS



DALE PROPERTY SERVICES, LLC ATTN: RECORDING TEAM 500 TAYOLR ST. STE 600 FORT WORTH, TEXAS 76102

Submitter: DALE PROPERTY SERVICES, LLC

MARY LOUISE GARCIA
TARRANT COUNTY CLERK
TARRANT COUNTY COURTHOUSE
100 WEST WEATHERFORD
FORT WORTH, TX 76196-0401

DO NOT DESTROY

WARNING - THIS IS PART OF THE OFFICAL RECORD

ELECTONICALLY RECORDED BY ACS ERXCHANGE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE W/ OPTION v. 5

PAID UP OIL AND GAS LEASE

(No Surface Use)

• L	•	,	A .	_
THIS LEASE AGREEMENT is made this day of whose address is P.O BOX14348			A Sincle	PORCA
How of	MARCH 2011 by and between	∍n THOMAS LINAMAN	1: 20,716	1470
THIS LEASE AGREEMENT IS made this day of	WARCH, 2011, by and being	1 217	- LOUGGADEAKE	EXPLORATION 1.1.C.AN
where address is 2.0. Box 14348	HAITOM CITY IX	f-6/11 f- as Lessor, a	nd CHESAPEANE	EXPLORATION, C.L.O., AN
whose address is CKLAHOMA LIMITED LIABILITY COMPANY, whose address	on in B.O. Boy 18496 Oklahor	na City, Oklahoma 73154-049	6 as Lessee. All	printed portions of this lease
OKLAHOMA LIMITED LIABILITY COMPANT, WHOSE AUGIE	SS IS F.O. DOX 10400, Ottobio	no nompletion of blank spaces)	were prepared joint	v by Lessor and Lessee.
Were prepared by the party hereinabove named as Lessee, but	ut all other provisions (including t	ne completion of blank spaces)	ata avaluaivaly to Le	seeps the following described
were prepared by the party hereinabove named as Lessee, but 1. In consideration of a cash bonus in hand paid and the	covenants herein contained, Les	ssor hereby grants, leases and i	erz excinzively to re	essee the following destinate
land, hereinafter called leased premises:				

0.125 ACRES OF LAND, MORE OR LESS, BEING LOT 2 BLOCK 2, OUT OF THE <u>HIGHLANDS ADDITION</u>, AN ADDITION TO THE CITY OF <u>HALTOM CITY</u>, <u>TARRANT</u> COUNTY, TEXAS, ACCORDING TO THAT CERTAIN PLAT RECORDED IN VOLUME 388-214, PAGE 73, OF THE PLAT RECORDS OF TARRANT COUNTY, TEXAS.

in the county of TARRANT, State of TEXAS, containing 0.125 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, in the county of TARRANT, State of TEXAS, containing 0.125 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to owned by Lessoe's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

- 2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of <u>THREE</u> (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in offert oursuper to the provisions beautiful. in effect pursuant to the provisions hereof.

 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons
- separated at Lessee's separator facilities, the royalty shall be <u>TWENTY-FIVE PERCENT</u> (25)% of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the nearest field in which there is such a prevailing price) for market price then prevailing in the same field (or if there is no such price then prevailing in the same field). production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be TWENTY-FIVE PERCENT (25)% of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which the nearest field in which there is no such prevailing in the same of nearest preceding date as the date on which the nearest field in which there is no such prevailing in the same of nearest preceding date as the date on which the nearest field in which there is no such prevailing in the same or nearest preceding date as the date on which the nearest field in which there is no such prevailing in the same field, then in the nearest field in the leased premises or lands production there from is not being sold by Lessee, such well or wells are shut-in or production there from is not being sold by Lessee, such payment to be made to Lessor's credit in the depository designated below, the shall pay shut-in royalty payments under this lease is otherwise being maintained by operations, or if production is being sold by Lessee from production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be TWENTY-FIVE PERCENT
- payments.

 5. Except as provided for in Paragraph 3. above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production there from, this lease shall remain in force so long as any one or more of such operations are prosecuted where the primary term, or at any time thereafter as no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as no cessation of more than 90 consecutive days, and if any such operations result in the production of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith. After completion of a well capable of producing
- leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any ladditional wells except as expressly provided herein.

 6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The proper to do so in order to prudently developed and the proper developed
- of the leased premises or lands pooled therewith shall be reduced to the projects and projects a

hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter Lessee with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released, if Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender's shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophylical operations, the drilling of water the conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophylical operations, the drilling of water for lesses of premises as some such control and an advantage of the such premises and advantage of the such premises and advantage of the such persons, free of cost, and other facilities deemed and or transport production. Lessee may use in such operations, free of cost, and only oil and an advantage of the such premises of the such premises of the such premises of the such persons and premises of the such premises of the such premises of the such premises of the such premises described in Paragraph 1 above, notwithstanding any partial relievation of the such premises of the such premise

Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

17. Lessor, and their successors and assigns, hereby grants Lessee an option to extend the primary term of this lease for an additional period of TWO (2) years from the end of the primary term by paying or tendering to Lessor prior to the end of the primary term the same bonus consideration, terms and conditions as granted for this lease.

18. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or under influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor

that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

Signature:

Printed Name: Thomasa-Linamen Jr

ACKNOWLEDGMENT

STATE OF TEXAS COUNTY OF TARRANT

LESSOR (WHETHER ONE OR MORE)

This instrument was acknowledged before me on the

2011, by THOMAS LINAMAN

Printed Name:

Notary Public. State of Texas 's name (printed): Notary's commission expires:

STATE OF RES. A.III